Investigation by the Department of Telecommunications and Energy on its own motion as to the propriety of the rates and charges by Blackstone Gas Company set forth in Tariffs M.D.T.E. Nos. 80 through 85, filed with the Department on August 17, 2004, to become effective November 1, 2004.

NOTICE OF FILING AND PUBLIC HEARING

The Department of Telecommunications and Energy ("Department") has received a Settlement Agreement between Blackstone Gas Company ("Blackstone" or "Company") and the Attorney General that addresses issues in connection with a proposed base rate increase for the Company to be effective on November 1, 2004. According to the Company, the Settlement Agreement provides for an increase in base rates at an annual rate of \$40,000 to be allocated in accordance with a cost of service study and the Department's rate continuity policies. The Company last received a general rate increase in November of 2001. The Department has docketed this matter as D.T.E. 04-79 in order to investigate the propriety of the Settlement Agreement.

The Department has scheduled a public hearing to receive comment on the Company's filing on:

Wednesday, September 22, 2004, at 7:00 P.M. Main Meeting Room, Blackstone Municipal Center 15 St. Paul Street Blackstone, Massachusetts 01504

A copy of the petition is on file at the Department's offices, One South Station, Boston, Massachusetts for public view during business hours. Copies are also on file for public view at Blackstone Gas Company, 61 Main Street, Blackstone, Massachusetts. Any person desiring further information regarding the Company's filing should contact counsel for the Company, Andrew J. Newman, Esq., at (617) 330-7000. Any person desiring further information regarding this notice should contact Michael Killion, Hearing Officer, Department of Telecommunications and Energy, at (617) 305-3500.

D.T.E. 04-79

Any person who wishes to submit written comments may do so by filing an original and four (4) copies of such comments with: Mary L. Cottrell, Secretary, Department of Telecommunications and Energy, One South Station, Boston, Massachusetts 02110, referencing D.T.E. 04-79, no later than the close of business (5:00 p.m.) on Wednesday, September 22, 2004. One copy must also be sent to Andrew J. Newman, Esq., Rubin and Rudman, 50 Rowes Wharf, Boston, Massachusetts 02110.

Any person seeking to intervene in this proceeding must file an original and five (5) copies of a written petition for leave to intervene or to participate in this proceeding no later than close of business (5:00 p.m.) on Wednesday, September 22, 2004, with Mary L. Cottrell, Secretary, Department of Telecommunications and Energy, One South Station, Boston, Massachusetts 02110, referencing D.T.E. 04-79.

A petition to intervene must satisfy the timing and substantive requirements of 220 C.M.R. § 1.03. Receipt by the Department – not mailing – constitutes filing and determines whether a petition is timely filed. A late-filed petition may be disallowed as untimely, unless good cause is shown for waiver. To be allowed, a petition under 220 C.M.R. § 1.03(1) must satisfy the standing requirements of G.L. c. 30A, § 10.

All written pleadings or comments must also be submitted to the Department in electronic format using one of the following methods: (1) by e-mail attachment to dte.efiling@state.ma.us; or (2) on a 3.5" floppy diskette, IBM-compatible format. The text of the e-mail or the diskette label must specify: (1) an easily identifiable case caption; (2) docket number (i.e., D.T.E. 04-79); (3) name of the person or company filing; and (4) a brief descriptive title or document (e.g., comments or petition to intervene). The electronic filing should also include the name, title, and phone number of a person to contact in the event of questions about the filing. Text responses should be written in either Word Perfect (naming the document with a ".wpd" suffix) or in Microsoft Word, (naming the document with a ".doc" suffix) or an Adobe PDF file (naming the document with a ".pdf" suffix). Data or spreadsheet responses should be compatible with Microsoft Excel. Documents submitted in electronic format will be posted on the Department's website, http://www.mass.gov/dpu.

By Order of the Department,

Mary L. Cottrell, Secretary